RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL & GAS DOCKET NO. 09-0266906

The Complaint of the Robert Henry Family that the Injection Well Permit No. 01952 for the Seel-Mac Oil & Gas, LLP, Ferguson (00130) Lease, Well No. 59, Archer County, Texas Should be Terminated.

The Commission finds that, after statutory notice in the above-numbered docket, heard on September 17, 2010, the examiners have made and filed a report and proposal for decision containing findings of fact and conclusions of law, which was served on all parties of record, and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the proposal for decision and the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** that the operator of Well No. 59, Well Permit No. 01952, is hereby required to install a flow meter on that well within ninety (90) days of the date of this order.

It is **FURTHER ORDERED** that Well Permit No. 01952, for Well No. 59, is hereby modified to require mechanical integrity tests (MIT) to be conducted once annually.

It is **FURTHER ORDRED** that the initial annual MIT test is to be conducted within ninety (90) days of the date of this order.

It is **FURTHER ORDERED** that the operator of Well No. 59, Well Permit No. 01952, shall cease operation of Well No. 59 within one hundred and eighty (180) days of the date of this order, unless the unidentified well located less than 500' from Well No. 59 is properly plugged in accordance with Statewide Rule 14. In the event the unidentified well located less than 500' from Well No. 59 is not plugged within one hundred and eighty days (180) of the date of this order, all operation of Well No. 59 shall cease at that time until such time the unidentified well is plugged. The unplugged well was identified by the Railroad Commission Staff in correspondence dated May 11, 2010, and is located at N33.80759° and W98.76725°.

It is **FURTHER ORDERED** that the Commission's district office, District Office 9, shall conduct an inspection to evaluate whether Well No. 59, as reconfigured by the operator with slim casing and under current pressure, is capable operating within the permit parameters, as modified herein, without contaminating fresh water and that all water injected will be confined to the injection zone.

It is further **ORDERED** by the Railroad Commission of Texas that the complaint of Robert Henry Family, in this docket is hereby **DISMISSED WITH PREJUDICE**.

Each exception to the examiners' proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T CODE §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the parties are notified of the order.

Done this 26th day of July 2011.

	RAILROAD COMMISSION OF TEXAS
	ELIZABETH AMES JONES, CHAIRMAN
	DAVID PORTER, COMMISSIONER
	BARRY T. SMITHERMAN, COMMISSIONER
ATTEST:	
SECRETARY	